LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 7171 NOTE PREPARED: Feb 17, 2009 **BILL NUMBER:** HB 1561 **BILL AMENDED:** Feb 17, 2009

SUBJECT: High Speed Internet Service Initiative.

FIRST AUTHOR: Rep. Van Haaften

BILL STATUS: CR Adopted - 1st House

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State

DEDICATED FEDERAL

<u>Summary of Legislation:</u> (Amended) This bill requires the Economic Development Corporation to: (1) develop a High Speed Internet Service Deployment and Adoption Initiative; and (2) create a statewide geographic information system of telecommunications and information technology services.

Effective Date: July 1, 2009.

Explanation of State Expenditures: Indiana Economic Development Corporation (IEDC): This bill requires the IEDC to develop a high speed internet service deployment and adoption initiative that includes the creation of a statewide geographic information system (GIS) of available telecommunications and information technology services, including high speed internet service. The IEDC could download the GIS software for free from the Indiana Office of Technology. Then, at least one staff person at IEDC could register for a GIS class that is offered almost every month to state employees for a one-time cost of \$100. Other costs related to implementing the High-Speed Internet Service Deployment and Adoption Initiative are unknown.

(Revised) <u>Background Information</u> - The IEDC is required to utilize the GIS to map the availability of high speed internet service, including the percentage of households that have access to high speed internet service by census blocks, and to identify areas where high speed internet service is unavailable. The IEDC is required to update the GIS at least every 6 months.

The bill provides that the IEDC shall enter into a contract to fulfill all or part of the provisions of this bill. Also, the bill specifies that the IEDC should consult with the Indiana Finance Authority to avoid unnecessary

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duplication of efforts. IC 8-1-33 established the Indiana Broadband Development Program to be administered by the Indiana Finance Authority in 2005. Due to administrative constraints, this program has not been active.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Economic Development Corporation.

Local Agencies Affected:

Information Sources: Jim Sparks, Indiana Office of Technology, 317-234-5889, Jennifer Alvey, Indiana Finance Authority, 317-233-4338.

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